

DRAFT - 12 December 1952

PROPOSED LEGISLATION

EXPLANATORY COMMENT

An Act

To provide certain authorities for the Central Intelligence Agency and for other purposes.

**BE IT ENACTED BY THE SENATE
AND HOUSE OF REPRESENTATIVES IN
CONGRESS ASSEMBLED,**

Sec. 1. 50 U.S.C. 403e(3)(A) is amended to read as follows:

"Order to the United States or its Territories and possessions on leave provided for by law, every officer and employee of the Agency who was a resident of the United States or its territories and possessions at time of employment, upon completion of two years continuous service abroad, or as soon as possible thereafter, and grant to such officers and employees leave of absence, without regard to any other leave provided for by law, for use in the United States, its Territories or possessions, at a rate equivalent to one week for each four months of service outside the several States and the District of Columbia. Such leave may be accumulated for future use without regard to Sec. 203(c) of the 'Annual and Sick Leave Act of 1951' (65 Stat. 680), but such leave which is unused shall not be made the basis for any terminal leave or lump sum payment: PROVIDED, That Sec. 203(d) of the 'Annual and Sick Leave Act of 1951' (65 Stat. 680) shall not apply to such officers and employees assigned to permanent-duty stations outside the several States and the District of Columbia."

The new subsection will permit accumulation of "home leave" for people on foreign duty. It embodies provisions which have been granted to Foreign Service personnel.

25X1

Sec. 2. The Central Intelligence Agency is hereby exempted from the provisions of the "Performance Rating Act of 1950," (64 Stat. 1098).

Because of security reasons it is impossible to comply with the review and inspection provisions of that Act. The Civil Service Commission has indicated that it will give its support in this matter.

Sec. 3. 50 U.S.C. 403i is hereby repealed.

Repeals Sec. 9 of CIA Act which provides for three positions in professional or scientific field with ceiling of \$15,000. No longer necessary since we have authority to appoint super grades as necessary.

Sec. 4. 50 U.S.C. 403j(1) is amended by deleting the words "payment of claims pursuant to Title 28;" and substituting the following: "payment of claims pursuant to Chapter 171 of Title 28;"

Corrects printing error in CIA Act of 1949, Sec. 10(a)(1) which omits reference to chapter.

Sec. 5. 50 U.S.C. 403(a) is hereby amended by deleting the figure "\$16,000" and substituting in lieu thereof the figure "\$18,000."

Increases compensation of DCI which was \$14,000 per National Security Act of 1947 and increased to \$16,000 by Executive Pay Bill of October 15, 1949.

Sec. 6. 50 U.S.C. 403(b)(2) is amended by deleting the second sentence thereof and substituting the following:

"Any such commissioned officer while serving in the office of Director shall hold the rank of general or equivalent grade, but shall, while so serving, receive the pay provided for a civilian Director and will receive no military pay and allowances. Any such commissioned officer, after having served four years as Director, shall be entitled at his own request and if otherwise qualified to retirement with the retired pay and allowances authorized by law for the grade of general or equivalent grade."

Amends Sec. 102(b)(2) of Nat. Sec. Act of 1947 to give military man serving as DCI the civilian pay for the position.

Note: Take home pay on \$18,000 based on one dependent and including deduction for retirement, computed under 1951 tax rates amounts to \$12,988, while that of a General is \$14,566.94. Take home pay on \$16,000 is \$11,468.

Sec. 7. 50 U.S.C. 403 is further amended by the addition of a new subparagraph to read as follows:

"(g) Deputy Directors; appointment and compensation

(1) There shall be a Deputy Director of Central Intelligence who shall be appointed by the President by and with the advice and consent of the Senate and who shall receive compensation at the rate of \$16,000 a year. The Deputy Director of Central Intelligence shall perform such duties and exercise such powers as shall be prescribed by the Director of Central Intelligence or by law and shall act for, and exercise the powers of, the Director during his absence or disability.

Amends Executive Pay Bill of October 15, 1949, establishing statutory salary and position of D/DCI, and provides for three additional Deputy Director statutory positions and salaries. The Bureau of the Budget suggests eliminating the bracketed material, as a potential source of difficulty, and desires that the DCI discuss it with Mr. Staats.

(2) In addition to the Deputy Director of Central Intelligence, the Director of Central Intelligence is authorized to appoint three Deputy Directors, each of whom shall receive compensation at the rate of \$15,000 a year and who shall perform such duties and exercise such powers as shall be prescribed by the Director may prescribe."

For security reasons, and with particular reference to the identity of the DD/P, provision for appointment by the President with advice and consent of the Senate is omitted for these three

"(h) General Counsel; appointment and compensation

(1) The Director of Central Intelligence is authorized to appoint the General Counsel who shall have the right to appear and be heard and if appropriate to intervene in any Court proceeding affecting the security of Central Intelligence Agency operations or any matter affecting the responsibility of the Director of Central Intelligence for protection of intelligence sources and methods: Provided, That this right shall not operate to give the General Counsel or the Central Intelligence Agency any police, subpoena or law enforcement powers or internal security functions: And provided further, That the General Counsel may not appear as of right without prior approval by the Attorney General.]

Gives General Counsel statutory position and right to appear in court where necessary. Emphasizes that jurisdiction of CIA is not being extended.

Material in brackets may be required by the Department of Justice, and if so will be acceptable. Informal indications are that the Department will oppose this provision.

(2) In addition, the Director may authorize the procurement of and pay for legal services whenever the security of Central Intelligence Agency requires such services or to enable an officer or employee of the service to carry on his work."

Provides for hiring of outside counsel where necessary.

Sec. 8. Such military and naval commissioned officer personnel as may be appointed, ordered, or detailed to serve with the Central Intelligence Agency may be employed by their respective services in addition to the number otherwise authorized and appropriated for.

Exempts from numerical limitation of so-called "Davis amendment" and authorizes Department of Defense to pay for those additional officers assigned to CIA.

Sec. 9. 50 U.S.C. 403f(f) is amended by deleting the word "fifteen" and substituting the word "thirty."

This will raise to thirty the numerical limitation of fifteen upon the number of those officers who have been retired for other than physical disability, and for whom there must be special statutory authority in order for them to be employed by the Government. We have indicated to the Bureau of the Budget that the figure "thirty" is not firm in view of the fact that the Comptroller General has been unable to give a firm ruling as to whether retired officers who are employed by CIA covert subsidiaries are chargeable against this ceiling. If such personnel are in fact held to be occupying a Government office through payment by Government funds and are therefore chargeable against our statutory quota, it will probably necessitate a higher ceiling than the thirty currently contemplated. This should be discussed by the DCI with Mr. Staats.

Sec. 10. All laws or part of laws inconsistent with this Act are hereby repealed to the extent of such inconsistency.